

The President's Daily Brief

May 23, 1975

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Table of Contents

Laos: The planned anti-American rally in Vientiane ended this morning without major disturbances. (Page 1)	
Portugal: Military leaders, apparently concerned about the deteriorating political situation, issued a conciliatory statement early today. (Page 3)	25X1
Notes: USSR ; USSR ; Czechoslovakia; China-Cambodia. (Pages 5 and 6)	25X1

LAOS

The anti-American rally at Vientiane's stadium ended without incident this morning. Communist Deputy Prime Minister Phoumi Vongvichit told the lessthan-capacity crowd that negotiations with the US embassy had resulted in agreement to close down AID offices in the provinces, and that talks are under way to dissolve the AID organization in Vientiane. The overall tone of Phoumi's speech was moderate. One lesser speaker indulged in fiery anti-American oratory but failed to excite his audience.

Yesterday, Phoumi told the US chargé that the anti-American disturbances in Vientiane would be "easily resolved" if Washington would agree "in principle" to negotiate the dissolution of AID in Laos and the revision of the 1951 economic assistance agreement.



The number of demonstrators occupying the main AID and defense attaché compound has dwindled from 300 to about 30. The AID warehouse on the northern outskirts of Vientiane is occupied by a small number of communist troops and student demonstrators. Armed communist soldiers entered two other AID warehouses in the capital yesterday, and, at last report, continue to occupy one of them.

Communist members of the capital's joint military security force blocked traffic entering and leaving the largest American residential housing compound in the northern suburbs of Vientiane. The compound houses some 143 families.

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1

Broadcasts over the Lao national radio--now largely controlled by communists--took on an inflammatory anti-American tone yesterday. One broadcast reported that the withdrawal of police protection for all Americans was imminent, and another threatened the life of a senior US official.

The coalition government yesterday granted the US embassy permission to evacuate Americans who had been under house arrest in Savannakhet since May 14. They were flown to Udorn, Thailand. Now, the 900 or so Americans left in Laos are all in Vientiane.

PORTUGAL

The ruling Revolutionary Council, apparently concerned about the deteriorating political situation, called early today for national unity and said it would never permit a dictatorship. The Council appealed to all political parties to cooperate in view of the country's worsening economic situation.

The Council's pronouncement followed a day of tense political activities:

- --Socialist leader Mario Soares in a press conference strongly criticized the Communist Party and the Armed Forces Movement and said his party would boycott government meetings until the Socialist newspaper is returned, until press freedom is restored, and until union and municipal elections are permitted.
- --Tens of thousands of Socialist demonstrators attended rallies in Lisbon and several other cities in support of Soares.
- --The Communists accused the Socialists of threatening the Portuguese system with their boycott.

The conciliatory nature of the Council's statement contrasts with its stand in recent days. The Armed Forces Movement yesterday took what could be the first step toward removing President Costa Gomes because of his sympathies for the Socialists. The military retirement age was lowered to 60; Costa Gomes is 62.

The man most frequently mentioned as a successor to Costa Gomes, Admiral Rosa Coutinho, has been tapped to accompany Prime Minister Goncalves and Foreign Minister Antunes to the NATO summit. Ambassador Carlucci learned of his inclusion in the Portuguese delegation from Goncalves during a discussion of issues that might come up at the summit.

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3

Goncalves reaffirmed Portugal's intention to remain in NATO. He said Portugal's foreign policy is not designed to upset existing arrangements, although his government favors a relaxation of tensions between NATO and the Warsaw Pact.

On a matter more critical to the Portuguese, Goncalves asked Ambassador Carlucci if the US could intercede with President Mobutu of Zaire. He said Mobutu had broken his promise not to involve himself in Angola and was sending men and equipment to one of the liberation groups contending for power.

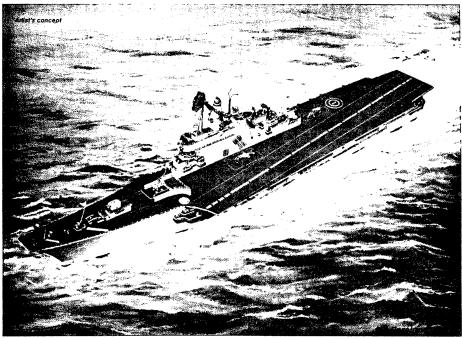
The Soviets continue to advise the Portuguese
Communist Party to work closely with the Armed
Forces Movement.

who met with the entire Politburo of the
Portuguese Communist Party in late April, has reportedly stated that all "progressive" and communist groups should do everything in their power to strengthen the position of the Movement.

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army elements" returning from Angola in November could create a dangerous turning point in the Portuguese situation.

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NOTES	
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Czechoslovakia will probably have a new president next week.

Prague announced yesterday that the party Central Committee will meet on Tuesday and that a special session of the parliament will follow on Wednesday. These tandem events indicate that the regime has finally decided to retire General Ludvik Svoboda, the aged and long ailing President. We believe that party boss Gustav Husak will be "elected" to the presidency and that he will remain in the top party post. He may, however, hold both jobs only until the party congress next spring. The change in presidents will not bring any change in Czechoslovak policy toward the US.